RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL & GAS DOCKET NO. 09-0261654 IN THE WALNUT BEND (WINGER) AND WALNUT BEND (CONSOLIDATED) FIELDS, COOKE COUNTY, TEXAS

FINAL ORDER

APPROVING THE APPLICATION OF CIMAREX ENERGY CO. OF COLORADO FOR A RULE 10 EXCEPTION FOR THE WALNUT BEND UNIT 1 WELL NOS. 52, 124 AND 125 IN THE WALNUT BEND (WINGER) AND WALNUT BEND (CONSOLIDATED) FIELDS, COOKE COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on June 23, 2009, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiner's report and recommendation, the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore it is ordered by the Railroad Commission of Texas that the application of Cimarex Energy Co. of Colorado for exception to Statewide Rule 10 for its Walnut Bend Unit 1, Well Nos. 52, 124 and 125 in the Walnut Bend (Winger) and Walnut Bend (Consolidated) Fields, Cooke County, Texas, be and it is hereby approved. Such commingled production as is produced from the Walnut Bend Unit 1, Well Nos. 52, 124 and 125 shall be assigned to the Walnut Bend (Consolidated) Field for proration purposes. Allocation of oil production from the Walnut Bend Unit 1, Well Nos. 52, 124 and 125 shall be based on the average of the annual W-10 production tests of the nine adjacent producing oil wells completed in the Walnut Bend (Winger) Field to establish a Winger baseline rate. Any oil production of the subject three wells above the Winger baseline rate will be attributable to the Walnut Bend (Consolidated) Field.

Further, acreage assigned to the Walnut Bend Unit 1, Well Nos. 52, 124 and 125 for allocation of allowable shall not be assigned to any other well or wells projected to or completed in the Walnut Bend (Winger) and Walnut Bend (Consolidated) Fields, Cooke County, Texas.

Done this 14th day of July, 2009.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated July 14, 2009)